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PROPOSED COUNSEL FOR DEBTORS

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CHAPTER 11
	§	
SEA GIRT LLC,	§	CASE NO. 21-30080-hdh11
	§	
DEBTOR	§	

IN RE:	§	CHAPTER 11
	§	
NATIONAL RIFLE ASSOCIATION OF AMERICA,	§	CASE NO. 21-30085-sgj11
	§	
DEBTOR¹	§	

**DEBTORS' EMERGENCY MOTION FOR AN ORDER DIRECTING
THE JOINT ADMINISTRATION OF CHAPTER 11 CASES**

The National Rifle Association of America (the "NRA") and Sea Girt LLC ("Sea Girt") (collectively, the "Debtors"), as debtors and debtors-in-possession, file this motion (the "Motion") pursuant to Section 105(a) of the Bankruptcy Code,² Rule 1015(b) of the Federal Rules of Bankruptcy Procedure, and Rule 1015-1 of the Local Bankruptcy Rules of the United

¹ The last four digits of the Debtors' taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt). The Debtors' mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

² 11 U.S.C. §§ 101, *et seq.* Unless otherwise noted, all statutory references are to the Bankruptcy Code.

States Bankruptcy Court for the District of Texas, to request the entry of an order, substantially in the form attached hereto as **Exhibit A**, directing the joint administration of their respective Chapter 11 cases. In support, the Debtors state as follows:

I. BACKGROUND

1. On January 15, 2021 (the “Petition Date”), the Debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code. The Debtors remain in possession of their property and are operating their businesses as a debtors-in-possession in accordance with Sections 1107 and 1108 of the Bankruptcy Code. A detailed description of the Debtors’ business, capital structure, and the events leading to the Debtors’ bankruptcy is set forth in the Debtors’ Information Brief and the Declarations of Sonya Rowling, Shawne Soto, and Robert Owens (collectively, the “First Day Declarations”), which are being filed with the Court and are incorporated herein by reference.

II. RELIEF REQUESTED

2. By this Motion, the Debtors request the entry of an order directing that their respective Chapter 11 cases be jointly administered, for procedural purposes only, pursuant to Section 105(a), Bankruptcy Rule 1015(b) and N.D. Tex. L.B.R. 1015-1. The Debtors request that their cases be jointly administered under NRA case number with the following caption:

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CHAPTER 11
	§	
NATIONAL RIFLE ASSOCIATION OF AMERICA and SEA GIRT LLC	§	CASE NO. 21-30085-_____
	§	
DEBTORS³	§	JOINTLY ADMINISTERED

³ The last four digits of the Debtors’ taxpayer identification numbers are: 6130 (NRA) and 5681 (Sea Girt). The Debtors’ mailing address is 11250 Waples Mill Road, Fairfax, Virginia 22030.

The Debtors request that the Court determine that the foregoing caption satisfies the requirements set forth in Section 342(c)(1) and Bankruptcy Rule 2002(n).

3. The Debtors propose that the following activities be joined for administrative purposes only:

- (a) all pleadings, papers, orders, and documents (other than proofs of claim, lists, schedules, statements, and monthly operating reports) shall be filed and docketed in case number **21-30085**;
- (b) one disclosure statement and plan of reorganization may be filed for the Debtors' cases by any plan proponent;
- (c) hearings in these jointly administered cases shall be joint hearings unless otherwise specified;
- (d) one consolidated docket shall be kept by the Clerk, although separate claims registers will be maintained for each of the Debtors' cases.

4. The Debtors also request that an entry, substantially similar to the following, be entered on the docket of Sea Girt's Chapter 11 case to reflect the joint administration of these chapter 11 cases:

An order has been entered in accordance with Rule 1015(b) of the Federal Rules of Bankruptcy Procedure and Rule 1015-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Northern District of Texas directing joint administration of the chapter 11 cases of: Sea Girt LLC, Case No. 21-30080; and National Rifle Association of America, Case No. 21-30085. All further pleadings and papers shall be filed, and all further docket entries shall be made, in Case No. 21-30085.

III. BASIS FOR REQUESTED RELIEF

5. Section 105 provides that "the court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title." 11 U.S.C. § 105(a). Bankruptcy Rule 1015(b)(4) provides that:

If a joint petition or two or more petitions are pending in the same court by or against . . . a debtor and an affiliate, the court may order a joint administration of the estates.

Each of the Debtors is an “affiliate” of the other as that term is defined in Section 101(2) of the Bankruptcy Code because Sea Girt is a wholly owned subsidiary of the NRA. *See* 11 U.S.C. § 101(2) (defining affiliate to include an entity that owns, or is owned by, a debtor). As a result, the Court is authorized to order the joint administration of the Debtors’ estates for procedural purposes under Rule 1015. *See also* N.D. TEX. L.B.R. 1015-1.

6. The issues that will be addressed in these bankruptcy cases will be related and overlapping, and joint administration of these cases will obviate any duplicative notices, motions, applications, hearings, and orders, and will therefore save considerable time and expense for the Debtors and their estates.

7. Joint administration will not give rise to any conflict of interest among the Debtors’ estates, and the rights of the Debtors’ respective creditors will not be adversely affected by the proposed joint administration. For the avoidance of doubt, this Motion does not seek substantive consolidation of the Debtors’ estates. The Debtors will continue as separate and distinct legal entities and will continue to maintain separate books and records. Each Debtor will file separate Schedules of Assets and Liabilities and Statements of Financial Affairs and each creditor must file its claim against a particular estate.

8. Parties in interest will benefit by the reduction in costs and administrative convenience that will result from joint administration. The Court also will be relieved of the burden of scheduling duplicative hearings, entering duplicative orders, and maintaining redundant files. Finally, supervision of the administrative aspects of these Chapter 11 cases by the Office of the United States Trustee will be simplified. Accordingly, joint administration of the above-captioned cases is in the Debtors’ best interests, as well as those of their respective estates, creditors, and other parties in interest.

IV. NOTICE

9. The Debtors will provide notice of this Motion to: (i) the Office of the United States Trustee; (ii) the Debtors' secured creditors; (iii) each of the Debtors' 20 largest unsecured creditors; and (iv) governmental agencies having a regulatory or statutory interest in the Debtors' cases. The Debtors submit that, in light of the nature of the relief requested and the urgency of the circumstances surrounding this Motion, no other or further notice need be given.

V. CONCLUSION AND PRAYER

10. For the reasons set forth above, the Debtors request that the Court enter an order (i) directing the joint administration of the Debtors' Chapter 11 cases as requested herein and (ii) granting any further relief the Court deems appropriate.

Dated: January 18, 2021

Respectfully submitted,

/s/ Patrick J. Neligan, Jr.

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